

Department of Revenue

This addendum reflects the December 15, 2008, changes made to the HB 2 budget for the Department of Revenue and reflects changes not included in the January 2009 Legislative Budget Analysis, Volume 3, which was based upon the November 15, 2008, executive budget submission. The addendum does not address changes to proprietary funded programs of which the Legislature approves rates instead of making a direct appropriation.

The addendum provides the following tables, first at the agency level and then for each program:

- Revised budget comparison
- A budget reconciliation that shows the changes from the November version to the December final version
- A listing of all decision packages in the December 15 revised version (program level only)

Narratives are also provided, where appropriate, to describe the changes. The following decision packages were globally applied and these narratives will not be repeated for each program.

DP 7101 – Fuel Inflation Reduction – This request would reduce funding for gasoline and diesel by the amount these two expenditure categories were increased in the statewide present law adjustment for inflation. The effect is to apply no inflation adjustment to these two expenditure categories.

DP 8101 – Increasing 4% Vacancy Savings to 7% - This request would add an additional 3 percent per year to the 4 percent personal services vacancy savings reduction contained in the statewide present law adjustment.

Agency Summary

5801 Department Of Revenue							All Programs	
Revised Executive Budget Comparison Table								
R02 Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Personal Services	31,541,481	34,079,740	34,997,374	35,234,549	65,621,221	70,231,923	4,610,702	7.0%
Operating Expenses	18,434,552	18,119,477	19,384,189	19,255,935	36,554,029	38,640,124	2,086,095	5.7%
Equipment & Intangible Assets	220,095	181,863	220,095	220,095	401,958	440,190	38,232	9.5%
Local Assistance	-	-	-	-	-	-	-	0.0%
Benefits & Claims	-	-	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	-	-	0.0%
Debt Service	-	972	-	-	972	-	(972)	-100.0%
Total Costs	50,196,128	52,382,052	54,601,658	54,710,579	102,578,180	109,312,237	6,734,057	6.6%
General Fund	46,999,289	48,766,397	50,866,436	50,979,667	95,765,686	101,846,103	6,080,417	6.4%
State/other Special Rev. Funds	823,595	882,192	1,100,505	1,089,366	1,705,787	2,189,871	484,084	28.4%
Federal Spec. Rev. Funds	194,192	424,881	202,528	201,679	619,073	404,207	(214,866)	-34.7%
Proprietary Funds	2,179,052	2,308,582	2,432,189	2,439,867	4,487,634	4,872,056	384,422	8.6%
Total Funds	50,196,128	52,382,052	54,601,658	54,710,579	102,578,180	109,312,237	6,734,057	6.6%



Agency Reconciliation

5801 Department Of Revenue				All Programs		
Executive Budget Reconciliation						
	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
Calculation of Executive Budget (Nov. 15, 2008)						
FY 2008 Base	46,999,289	46,999,289	93,998,578	50,196,128	50,196,128	100,392,256
Statewide Present Law Adjustments	4,429,485	4,328,589	8,758,074	4,748,860	4,655,430	9,404,290
Other Present Law Adjustments	448,100	667,990	1,116,090	448,100	667,990	1,116,090
New Proposals	494,538	335,941	830,479	673,369	514,802	1,188,171
Original Executive Budget	52,371,412	52,331,809	104,703,221	56,066,457	56,034,350	112,100,807
Revised Executive Budget	50,866,436	50,979,667	101,846,103	54,601,658	54,710,579	109,312,237
Executive Budget Revisions (Dec. 15, 2008)						
PL07101 Fuel Inflation Reduction	(678)	(778)	(1,456)	(678)	(778)	(1,456)
Present Law Total	(678)	(778)	(1,456)	(678)	(778)	(1,456)
NP07021 Abandoned Property Program Workload Increase	-	-	-	115,212	103,662	218,874
NP080008 Improve Efficiency through Field Computers -OTO	(475,000)	(319,000)	(794,000)	(475,000)	(319,000)	(794,000)
NP08101 Increasing 4% Vacancy Savings to 7%	(1,029,298)	(1,032,364)	(2,061,662)	(1,104,333)	(1,107,655)	(2,211,988)
New Proposal Total	(1,504,298)	(1,351,364)	(2,855,662)	(1,464,121)	(1,322,993)	(2,787,114)
Total All Decision Packages	(1,504,976)	(1,352,142)	(2,857,118)	(1,464,799)	(1,323,771)	(2,788,570)

Director's Office

Revised Budget – Director's Office

5801 Department Of Revenue					580101 Directors Office			
Revised Executive Budget Comparison Table								
R02 Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Personal Services	3,201,839	3,384,705	3,546,752	3,611,735	6,586,544	7,158,487	571,943	8.7%
Operating Expenses	2,279,318	1,738,046	2,433,161	2,219,399	4,017,364	4,652,560	635,196	15.8%
Equipment & Intangible Assets			-	-	-	-	-	0.0%
Local Assistance	-	-	-	-	-	-	-	0.0%
Total Costs	5,481,157	5,122,751	5,979,913	5,831,134	10,603,908	11,811,047	1,207,139	11.4%
General Fund	5,310,557	4,896,161	5,782,984	5,634,983	10,206,718	11,417,967	1,211,249	11.9%
State/other Special Rev. Funds	84,281	81,486	107,056	107,128	165,767	214,184	48,417	29.2%
Federal Spec. Rev. Funds	600	-	(704)	(1,709)	600	(2,413)	(3,013)	-502.2%
Proprietary Funds	85,719	145,104	90,577	90,732	230,823	181,309	(49,514)	-21.5%
Total Funds	5,481,157	5,122,751	5,979,913	5,831,134	10,603,908	11,811,047	1,207,139	11.4%

Reconciliation – Director's Office

5801 Department Of Revenue				580101 Directors Office		
Executive Budget Reconciliation						
	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
Calculation of Executive Budget (Nov. 15, 2008)						
FY 2008 Base	5,310,557	5,310,557	10,621,114	5,481,157	5,481,157	10,962,314
Statewide Present Law Adjustments	575,559	372,469	948,028	605,612	401,758	1,007,370
Other Present Law Adjustments	6,000	61,587	67,587	6,000	61,587	67,587
New Proposals	1,525	1,322	2,847	1,557	1,350	2,907
Original Executive Budget	5,893,641	5,745,935	11,639,576	6,094,326	5,945,852	12,040,178
Revised Executive Budget	5,782,984	5,634,983	11,417,967	5,979,913	5,831,134	11,811,047
Executive Budget Revisions (Dec. 15, 2008)						
NP08101 Increasing 4% Vacancy Savings to 7%	(110,657)	(110,952)	(221,609)	(114,413)	(114,718)	(229,131)
New Proposal Total	(110,657)	(110,952)	(221,609)	(114,413)	(114,718)	(229,131)
Total All Decision Packages	(110,657)	(110,952)	(221,609)	(114,413)	(114,718)	(229,131)

The only change was the addition of 3 percent vacancy savings in DP-8101.

Revises List of Decision Packages – Director's Office

5801 Department Of Revenue				580101 Directors Office		
Executive Budget Revisions (Dec. 15, 2008)						
Decision Package	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
PL010001 Present Law Base Adjustment - Director's Office	6,000	61,587	67,587	6,000	61,587	67,587
Present Law Total	6,000	61,587	67,587	6,000	61,587	67,587
NP06101 Fixed Cost Workers Comp Mgmt Program Allocation	1,525	1,322	2,847	1,557	1,350	2,907
NP08101 Increasing 4% Vacancy Savings to 7%	(110,657)	(110,952)	(221,609)	(114,413)	(114,718)	(229,131)
New Proposal Total	(109,132)	(109,630)	(218,762)	(112,856)	(113,368)	(226,224)
Total All Decision Packages	(103,132)	(48,043)	(151,175)	(106,856)	(51,781)	(158,637)

Information Technology & Processing

Revised Budget – Information Technology & Processing

5801 Department Of Revenue					580102 Information Technology & Processing			
Revised Executive Budget Comparison Table								
R02 Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Personal Services	3,622,302	4,318,766	4,290,006	4,300,544	7,941,068	8,590,550	649,482	8.2%
Operating Expenses	8,325,544	7,795,420	8,746,597	8,762,077	16,120,964	17,508,674	1,387,710	8.6%
Equipment & Intangible Assets	181,250	37,702	181,250	181,250	218,952	362,500	143,548	65.6%
Total Costs	12,129,096	12,151,888	13,217,853	13,243,871	24,280,984	26,461,724	2,180,740	9.0%
General Fund	11,897,699	11,713,958	13,011,140	13,037,029	23,611,657	26,048,169	2,436,512	10.3%
State/other Special Rev. Funds	161,522	231,295	131,017	131,014	392,817	262,031	(130,786)	-33.3%
Federal Spec. Rev. Funds	-	132,000	-	-	132,000	-	(132,000)	-100.0%
Proprietary Funds	69,875	74,635	75,696	75,828	144,510	151,524	7,014	4.9%
Total Funds	12,129,096	12,151,888	13,217,853	13,243,871	24,280,984	26,461,724	2,180,740	9.0%

Reconciliation – Information Technology & Processing

5801 Department Of Revenue				580102 Information Technology & Processing		
Executive Budget Reconciliation						
	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
Calculation of Executive Budget (Nov. 15, 2008)						
FY 2008 Base	11,897,699	11,897,699	23,795,398	12,129,096	12,129,096	24,258,192
Statewide Present Law Adjustments	1,100,364	1,123,664	2,224,028	1,077,860	1,101,295	2,179,155
Other Present Law Adjustments	146,510	149,806	296,316	146,510	149,806	296,316
New Proposals	2,773	2,404	5,177	2,773	2,404	5,177
Original Executive Budget	13,147,346	13,173,573	26,320,919	13,356,239	13,382,601	26,738,840
Revised Executive Budget	13,011,140	13,037,029	26,048,169	13,217,853	13,243,871	26,461,724
Executive Budget Revisions (Dec. 15, 2008)						
NP08101 Increasing 4% Vacancy Savings to 7%	(136,206)	(136,544)	(272,750)	(138,386)	(138,730)	(277,116)
New Proposal Total	(136,206)	(136,544)	(272,750)	(138,386)	(138,730)	(277,116)
Total All Decision Packages	(136,206)	(136,544)	(272,750)	(138,386)	(138,730)	(277,116)

The only change was the addition of 3 percent vacancy savings in DP-8101.

Revises List of Decision Packages – Information Technology & Processing

5801 Department Of Revenue				580102 Information Technology & Processing		
Executive Budget Revisions (Dec. 15, 2008)						
Decision Package	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
PL020001 Present Law Base Adjustment - Info Tech & Proc	146,510	149,806	296,316	146,510	149,806	296,316
Present Law Total	146,510	149,806	296,316	146,510	149,806	296,316
NP06101 Fixed Cost Workers Comp Mgmt Program Allocation	2,773	2,404	5,177	2,773	2,404	5,177
NP08101 Increasing 4% Vacancy Savings to 7%	(136,206)	(136,544)	(272,750)	(138,386)	(138,730)	(277,116)
New Proposal Total	(133,433)	(134,140)	(267,573)	(135,613)	(136,326)	(271,939)
Total All Decision Packages	13,077	15,666	28,743	10,897	13,480	24,377

Liquor Control Division

Revised Budget – Liquor Control Division

5801 Department Of Revenue					580103 Liquor Control Division			
Revised Executive Budget Comparison Table								
R02 Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Personal Services	1,377,931	1,451,743	1,618,571	1,624,629	2,829,674	3,243,200	413,526	14.6%
Operating Expenses	569,163	533,569	566,849	568,213	1,102,732	1,135,062	32,330	2.9%
Equipment & Intangible Assets	30,125	54,723	30,125	30,125	84,848	60,250	(24,598)	-29.0%
Benefits & Claims	-	-	-	-	-	-	-	0.0%
Transfers	-	-	-	-	-	-	-	0.0%
Total Costs	1,977,219	2,040,035	2,215,545	2,222,967	4,017,254	4,438,512	421,258	10.5%
Proprietary Funds	1,977,219	2,040,035	2,215,545	2,222,967	4,017,254	4,438,512	421,258	10.5%
Total Funds	1,977,219	2,040,035	2,215,545	2,222,967	4,017,254	4,438,512	421,258	10.5%

Reconciliation – Liquor Control Division

5801 Department Of Revenue				580103 Liquor Control Division		
Executive Budget Reconciliation						
	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
Calculation of Executive Budget (Nov. 15, 2008)						
FY 2008 Base	-	-	-	1,977,219	1,977,219	3,954,438
Statewide Present Law Adjustments	-	-	-	289,617	297,357	586,974
Other Present Law Adjustments	-	-	-	-	-	-
New Proposals	-	-	-	922	799	1,721
Original Executive Budget	-	-	-	2,267,758	2,275,375	4,543,133
Revised Executive Budget	-	-	-	2,215,545	2,222,967	4,438,512
Executive Budget Revisions (Dec. 15, 2008)						
NP08101 Increasing 4% Vacancy Savings to 7%	-	-	-	(52,213)	(52,408)	(104,621)
New Proposal Total	-	-	-	(52,213)	(52,408)	(104,621)
Total All Decision Packages	-	-	-	(52,213)	(52,408)	(104,621)

The only change was the addition of 3 percent vacancy savings in DP-8101.

Revises List of Decision Packages – Liquor Control Division

5801 Department Of Revenue				580103 Liquor Control Division		
<i>Executive Budget Revisions (Dec. 15, 2008)</i>						
	General Fund	General Fund	General Fund	Total Funds	Total Funds	Total Funds
Decision Package	FY 2010	FY 2011	FY 2010-11	FY 2010	FY 2011	FY 2010-11
NP06101 Fixed Cost Workers Comp Mgmt Program Allocation	-	-	-	922	799	1,721
NP08101 Increasing 4% Vacancy Savings to 7%	-	-	-	(52,213)	(52,408)	(104,621)
New Proposal Total	-	-	-	(51,291)	(51,609)	(102,900)
Total All Decision Packages	-	-	-	(51,291)	(51,609)	(102,900)

Citizen Services & Resource Mgmt

Revised Budget – Citizen Services & Resource Mgmt

5801 Department Of Revenue					580105 Citizen Services & Resource Mgmt			
Revised Executive Budget Comparison Table								
R02 Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Personal Services	1,304,724	1,403,398	1,469,738	1,473,800	2,708,122	2,943,538	235,416	8.7%
Operating Expenses	708,819	739,254	724,706	723,421	1,448,073	1,448,127	54	0.0%
Equipment & Intangible Assets	-	80,716	-	-	80,716	-	(80,716)	-100.0%
Total Costs	2,013,543	2,223,368	2,194,444	2,197,221	4,236,911	4,391,665	154,754	3.7%
General Fund	1,859,004	2,062,555	1,996,299	1,999,041	3,921,559	3,995,340	73,781	1.9%
State/other Special Rev. Funds	108,300	112,005	147,774	147,840	220,305	295,614	75,309	34.2%
Proprietary Funds	46,239	48,808	50,371	50,340	95,047	100,711	5,664	6.0%
Total Funds	2,013,543	2,223,368	2,194,444	2,197,221	4,236,911	4,391,665	154,754	3.7%

Reconciliation – Citizen Services & Resource Mgmt

5801 Department Of Revenue				580105 Citizen Services & Resource Mgmt		
Executive Budget Reconciliation						
	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
Calculation of Executive Budget (Nov. 15, 2008)						
FY 2008 Base	1,859,004	1,859,004	3,718,008	2,013,543	2,013,543	4,027,086
Statewide Present Law Adjustments	180,265	183,247	363,512	227,422	230,446	457,868
Other Present Law Adjustments	-	-	-	-	-	-
New Proposals	890	772	1,662	890	772	1,662
Original Executive Budget	2,040,159	2,043,023	4,083,182	2,241,855	2,244,761	4,486,616
Revised Executive Budget	1,996,299	1,999,041	3,995,340	2,194,444	2,197,221	4,391,665
Executive Budget Revisions (Dec. 15, 2008)						
NP08101 Increasing 4% Vacancy Savings to 7%	(43,860)	(43,982)	(87,842)	(47,411)	(47,540)	(94,951)
New Proposal Total	(43,860)	(43,982)	(87,842)	(47,411)	(47,540)	(94,951)
Total All Decision Packages	(43,860)	(43,982)	(87,842)	(47,411)	(47,540)	(94,951)

The only change was the addition of 3 percent vacancy savings in DP-8101.

Revises List of Decision Packages – Citizen Services & Resource Mgmt

5801 Department Of Revenue				580105 Citizen Services & Resource Mgmt					
Executive Budget Revisions (Dec. 15, 2008)				General Fund	General Fund	General Fund	Total Funds	Total Funds	Total Funds
Decision Package				FY 2010	FY 2011	FY 2010-11	FY 2010	FY 2011	FY 2010-11
NP06101 Fixed Cost Workers Comp Mgmt Program Allocation				890	772	1,662	890	772	1,662
NP08101 Increasing 4% Vacancy Savings to 7%				(43,860)	(43,982)	(87,842)	(47,411)	(47,540)	(94,951)
New Proposal Total				(42,970)	(43,210)	(86,180)	(46,521)	(46,768)	(93,289)
Total All Decision Packages				(42,970)	(43,210)	(86,180)	(46,521)	(46,768)	(93,289)

Business and Income Taxes Division

Revised Budget – Business and Income Taxes Division

5801 Department Of Revenue				580107 Business And Income Taxes Division				
Revised Executive Budget Comparison Table								
R02 Budget Version	Base	Approp	Budgeted	Budgeted	Biennium	Biennium	Biennial	Biennial
Budget Item	FY 2008	FY 2009	FY 2010	FY 2011	FY 2008-09	FY 2010-11	Change	Percent
Personal Services	7,522,645	8,600,620	8,805,034	8,830,305	16,123,265	17,635,339	1,512,074	9.4%
Operating Expenses	2,179,437	2,862,973	1,955,704	1,944,843	5,042,410	3,900,547	(1,141,863)	-22.7%
Equipment & Intangible Assets			-	-	-	-	-	0.0%
Total Costs	9,702,082	11,463,593	10,760,738	10,775,148	21,165,675	21,535,886	370,211	1.8%
General Fund	9,103,747	10,763,306	9,907,343	9,932,846	19,867,053	19,840,189	(26,864)	-0.1%
State/other Special Rev. Funds	404,743	407,406	650,163	638,914	812,149	1,289,077	476,928	58.7%
Federal Spec. Rev. Funds	193,592	292,881	203,232	203,388	486,473	406,620	(79,853)	-16.4%
Total Funds	9,702,082	11,463,593	10,760,738	10,775,148	21,165,675	21,535,886	370,211	1.8%

Reconciliation – Business and Income Taxes Division

5801 Department Of Revenue				580107 Business And Income Taxes Division		
Executive Budget Reconciliation						
	General Fund FY 2010	General Fund FY 2011	General Fund FY 2010-11	Total Funds FY 2010	Total Funds FY 2011	Total Funds FY 2010-11
Calculation of Executive Budget (Nov. 15, 2008)						
FY 2008 Base	9,103,747	9,103,747	18,207,494	9,702,082	9,702,082	19,404,164
Statewide Present Law Adjustments	987,501	1,014,257	2,001,758	962,807	989,901	1,952,708
Other Present Law Adjustments	57,641	57,748	115,389	57,641	57,748	115,389
New Proposals	4,543	3,939	8,482	182,420	181,973	364,393
Original Executive Budget	10,153,432	10,179,691	20,333,123	10,904,950	10,931,704	21,836,654
Revised Executive Budget	9,907,343	9,932,846	19,840,189	10,760,738	10,775,148	21,535,886
Executive Budget Revisions (Dec. 15, 2008)						
NP07021 Abandoned Property Program Workload Increase	-	-	-	115,212	103,662	218,874
NP08101 Increasing 4% Vacancy Savings to 7%	(246,089)	(246,845)	(492,934)	(259,424)	(260,218)	(519,642)
New Proposal Total	(246,089)	(246,845)	(492,934)	(144,212)	(156,556)	(300,768)
Total All Decision Packages	(246,089)	(246,845)	(492,934)	(144,212)	(156,556)	(300,768)

New proposal DP-7021 - Abandoned Property Program Workload Increase - was included in the December revised version to add \$218,874 state special state special revenue to add 2.00 FTE to address workload impacts in the abandoned property program.

The only other change was the addition of 3 percent vacancy savings in DP-8101.